

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TAYLOR COUNTY RURAL ELECTRIC)	
COOPERATIVE CORPORATION)	
_____)	CASE NO. 98-119
)	
ALLEGED FAILURE TO COMPLY WITH)	
COMMISSION ORDER)	

O R D E R

An informal conference was held on July 8, 1998 wherein Taylor County Rural Electric Cooperative Corporation ("Taylor County") represented that it had five volt meters in place and would have five additional volt meters in place not later than December 31, 1998. As a result of the informal conference, Taylor County agreed to a settlement of this matter, such being attached hereto and made a part hereof.

Based upon the record in this matter and the settlement which is attached hereto, IT IS ORDERED that:

1. There is hereby imposed against Taylor County a fine in the amount of Two Thousand Five Hundred (\$2,500.00) Dollars. The sum of One Thousand (\$1,000.00) Dollars shall be due and payable within 20 days of the date of this Order. Payment shall be made by certified check or money order made payable to "Treasurer, Commonwealth of Kentucky," and shall be mailed or delivered to the Office of General Counsel, 730 Schenkel Lane, P. O. Box 615, Frankfort, Kentucky 40602. The remaining sum of One Thousand Five Hundred (\$1,500.00) Dollars shall be suspended

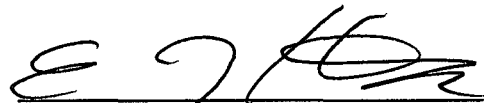
on the condition that Taylor County installs the five additional volt meters on or before December 31, 1998. If the five additional volt meters are not installed on or before December 31, 1998, then such shall become immediately due and owing without further action or Order from this Commission.

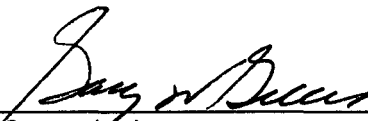
2. Taylor County shall submit, within 20 days of the date of this Order, for the Commission's approval a proposed plan of installation of volt meters, with such plan to provide for the installation on or before December 31, 1998 of not less than five of such volt meters.

Done at Frankfort, Kentucky, this 9th day of September, 1998.

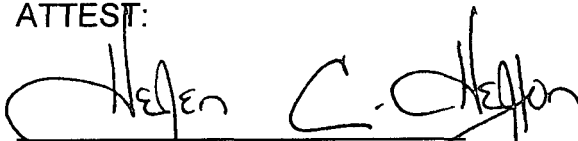
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

COMMONWEALTH OF KENTUCKY
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WITH COMMISSION ORDER)	

**NOTICE OF, AND MOTION FOR APPROVAL OF,
AGREED RESOLUTION**

The Commission, by Order entered herein on June 22, 1998, directed Taylor County Rural Electric Cooperative Corporation to appear and show cause why it should not be subject to penalties by reason of its failure to comply with portions of an Order of this Commission entered on September 15, 1995 in Case No. 95-125, and Taylor County and the Commission Staff thus participated in an informal conference conducted consistent with this Court's June 22, 1998 Order, at which time representatives of Taylor County appeared and explained that Taylor County's delinquency in the installation of certain testing equipment was caused and brought about by Taylor County's reliance upon East Kentucky Power's announced plan to facilitate the installation by and through its distribution cooperatives of certain evaluative and testing equipment which, if installed, would have provided Taylor County with the data which was to have been procured through the installation of voltmeters as

indicated in Case No. 95-125. However, East Kentucky Power's plan for the installation of such monitoring equipment was modified, delayed, or abandoned in 1997, whereupon Taylor County was not immediately able to provide for the installation and utilization of voltmeters, and the process of installing and utilizing such equipment has begun only during the current calendar year.

At the informal conference, the attention of the parties was directed to the further acts of Taylor County, specifically the installation and utilization of voltmeters, in conformity with the subject Order of the Commission, whereupon the parties, as evidenced by the signatures of their respective counsel hereupon, reached a proposed resolution of the allegations of non-performance made herein which would include the following conditions:

1. There shall be imposed herein an administrative penalty against Taylor County in the sum of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00), \$1,000.00 of which shall be paid by Taylor County on or before August 10, 1998.

2. Payment of the balance of that administrative penalty in the amount of \$1,500.00 shall be suspended, conditioned upon Taylor County's performance of the following:

- A. Taylor County shall, on or before August 10, 1998, submit for the Commission's approval a proposed plan of installation of voltmeters within and upon its system, with such plan to provide for the installation on or before December 31, 1998 of not less than five (5) of such voltmeters.

B. Upon approval by the Commission of Taylor County's proposal for the installation of voltmeters, either as that proposal is originally made or as it may be modified by subsequent Orders entered herein, Taylor County shall comply with the terms thereof regarding the number of voltmeters to be installed, and the time sequence of such installations.

IT IS, ACCORDINGLY, MOVED JOINTLY BY THE PARTIES that the agreed resolution set forth hereinabove be approved and ordered by the Commission, and that this matter be remanded from the Commission's July 23, 1998 hearing docket.

Respectfully submitted,

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By 

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By 

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